

Message Text

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ACTION EUR-25

INFO OCT-01 IO-14 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 EB-11 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06

NSAE-00 NSC-10 PA-04 RSC-01 AID-20 CIEP-02 SS-20

STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 SPC-03 FEA-02

OMB-01 DRC-01 /195 W

----- 002984

R 171730Z JAN 74

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 6271

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS UNN

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION OECD PARIS UNN

USMISSION GENEVA

LIMITED OFFICIAL USE EC BRUSSELS 0300

E.O. 11652: NA

TAGS: ETRD, EEC

SUBJ: EC RECLASSIFICATION OF SEMI-CONDUCTORS

REF: EC BRUSSELS 133

1. SUMMARY: THIS CABLE CONTAINS THE ENGLISH TEXT
OF THE SUMMARY RECORD BY THE EC COUNCIL SECRETARIAT OF THE
ARTICLES 113 COMMITTEE MEETING OF 21 DECEMBER 1973 REGARDING
SEMI-CONDUCTORS. THE RECORD MAKES IT APPARENT THAT
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THE COMMUNITY FAVORS A RETURN TO A NINE PERCENT RATE OF

DUTY. COMMISSION OFFICIALS EXPECT A CUSTOMS GROUP TO TRY TO WORK OUT IN FEBRUARY A PROPOSAL TO DEFINE A NEW CUSTOMS SUBCATEGORY FOR SEMICONDUCTOR ELEMENTS. END SUMMARY.

2. FOLLOWING IS THE TEXT OF THE SUMMARY RECORD: BEGIN TEXT: SUMMARY RECORD: AMENDMENT OF THE LIST DRAWN UP BY THE COMMUNITY FOR THE GATT OF CERTAIN SEMI-CONDUCTOR DEVICES (HEADING EX 85.21); THE COMMITTEE FAVORED THE FOLLOWING SOLUTION:

(A) THE AMENDMENT OF THE LIST DRAWN UP BY THE COMMUNITY FOR THE GATT OF CERTAIN SEMI-CONDUCTOR DEVICES (HEADING EX 85.21) SHOULD BE CARRIED OUT IN THE CONTEXT OF THE PROCEDURE FOR THE AMENDMENT OF THE CUSTOMS NOMENCLATURE AND NOT ACCORDING TO THE PROCEDURE OF ARTICLE XXVIII OF THE GATT;

(B) THIS AMENDMENT WOULD RE-ESTABLISH THE NINE PERCENT RATE OF DUTY FOR CERTAIN ELEMENTS FALLING WITHIN HEADING EX 85.21 (WAFERS), THIS RATE OF DUTY WAS APPLICABLE PREVIOUSLY BUT WAS RAISED TO 17 PERCENT AS FROM 1. JANUARY 1972. (FOOTNOTE: IN THIS CONNECTION, THE BELGIAN DELEGATION POINTED OUT THAT ITS COUNTRY HAD ALWAYS APPLIED A RATE OF MORE THAN NINE PERCENT TO THESE PRODUCTS. THIS DELEGATION COULD EVEN ENVISAGE A SOLUTION WHICH DID NOT TAKE INTO ACCOUNT THE RECOMMENDATION MADE BY THE CUSTOMS COOPERATION COUNCIL.)

(C) THE EXACT WORDING FOR THE PRUPOSES OF CUSTOMS WILL BE LEFT TO THE COMMISSION WORKING PARTY ON CUSTOMS. END TEXT.

3. RODERICK ABBOTT OF THE EC COMMISSION WAS UNABLE TO GIVE US A VERY CLEAR INTERPRETATION OF THE FOOTNOTE BY THE BELGIAN DELEGATION HOWEVER, HE BELIEVES THAT THE RECORD NOW MAKES IT QUITE CLEAR THAT THE ARTICLE 113 COMMITTEE FAVORS A RETURN TO THE NINE PERCENT RATE OF DUTY. THE REFERENCE TO GATT ARTICLE XXVIII MEANS THAT THE COMMITTEE AGREES NOT TO TRY TO COLLECT A 17 PERCENT DUTY ON AN ITEM WHICH PREVIOUSLY BORE A NINE PERCENT DUTY.

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4. ABBOTT HAS ARRANGED FOR THE MIXED GROUP OF CUSTOMS EXPERTS TO HAVE AN INITIAL DISCUSSION AT ITS JANUARY 25 MEETING OF THE DEFINITION TO BE ADOPTED FOR THE NINE PERCENT DUTY. ABBOTT EXPECTS THAT THE GROUP WILL USE ITS MID-FEBRUARY MEETING TO TRY TO AGREE ON A DEFINITION. GREENWALD

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Message Attributes

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Capture Date: 01 JAN 1994
Channel Indicators: n/a
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Concepts: TARIFF LAW, CUSTOMS DUTIES, TARIFF NEGOTIATIONS, TARIFF CLASSIFICATIONS, PRODUCTION CONTROLS, AMENDMENTS, SEMICONDUCTOR DEVICES
Control Number: n/a
Copy: SINGLE
Draft Date: 17 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
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Review History: RELEASED <01 APR 2002 by kelleyw0>; APPROVED <28 MAY 2002 by morefirh>
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30 JUN 2005

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Review Withdrawn Fields: n/a
Secure: OPEN
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Subject: EC RECLASSIFICATION OF SEMI-CONDUCTORS
TAGS: ETRD, EEC
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Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005